

CITY COUNCIL AGENDA

MARCH 22, 2005

SYNOPSIS

LINDA J. LE ZOTTE
FORREST WILLIAMS
CINDY CHAVEZ, VICE MAYOR
CHUCK REED
NORA CAMPOS

DISTRICT 1
DISTRICT 2
DISTRICT 3
DISTRICT 4
DISTRICT 5

RON GONZALES MAYOR

KEN YEAGER
VACANT
DAVID D. CORTESE
JUDY CHIRCO
NANCY PYLE

DISTRICT 6
DISTRICT 7
DISTRICT 8
DISTRICT 9
DISTRICT 10

Welcome to the San José City Council meeting!

This Agenda contains both a Consent Calendar section for routine business items that require Council approval, and general business items arranged to correspond with San José's City Service Areas (CSAs). City Service Areas represent the policy-making level for strategic planning, policy setting, and investment decisions in the critical functions the City provides to the community. They are:

- ***Strategic Support Services*** — The internal functions that enable the CSAs to provide direct services to the community in an effective and efficient manner.
- ***Economic and Neighborhood Development*** — Manage the growth and change of the community in order to create and preserve healthy neighborhoods and ensure a diverse range of employment and housing opportunities.
- ***Recreation and Cultural Services*** — Serve, foster, and strengthen community by providing access to lifelong learning and opportunities to enjoy life.
- ***Transportation Services*** — A safe and efficient transportation system that contributes to the livability and economic health of the City.
- ***Environment and Utility Services*** — Manage environmental services and utility systems to ensure a sustainable environment for the community.
- ***Aviation Services*** — Provide for the air transportation needs of the community and the region at levels that are acceptable to the community.
- ***Public Safety Services*** — Commitment to excellence in public safety by investing in neighborhood partnerships as well as prevention, enforcement, and emergency preparedness services.

Items listed in Section 10 require approval of both the City Council and the San José Redevelopment Agency Board.

You may speak to the City Council about any item that is on the agenda, and you may also speak on items that are not on the agenda during Open Forum. If you wish to speak to the City Council, please refer to the following guidelines:

1. **Fill out a Yellow Speaker's Card and submit it to the City Clerk seated at the front table. Do this before the meeting or before the item is heard.** This will ensure that your name is called for the item/s that you wish to address, and it will help ensure the meeting runs smoothly for all participants.
2. When the Council reaches your item on the agenda, Mayor Ron Gonzales will open the public hearing and call your name. Please address the Council from the podium, which is located to the left of the City Clerk's table.
3. Each speaker generally has two minutes to speak per item. The amount of time allotted to speakers may vary at the Mayor's discretion, depending on the number of speakers or the length of the agenda.
4. To assist you in tracking your speaking time, there are three lights located to the far right of the podium. The green light turns on when you begin speaking; the yellow light turns on when you have 30 seconds left; and the red light turns on when your speaking time is up.

Please be advised that, by law, the City Council is unable to discuss or take action on issues presented during Open Forum. According to State Law (the Brown Act) items must first be noticed on the agenda before any discussion or action.

The San José City Council meets every Tuesday at 1:30 p.m. and every first and third Tuesday at 7 p.m., unless otherwise noted. If you have any questions, please direct them to the City Clerk's staff seated at the tables just below the dais. Thank you for taking the time to attend today's meeting. We look forward to seeing you at future meetings.

Agendas and Staff Reports for City Council items may be viewed on the Internet at www.sanjoseca.gov/clerk/agenda.htm

To arrange an accommodation under the Americans with Disabilities Act to participate in this public meeting, please call 1 (408) 277-4424 or 1 (408) 998-5299 (TTY) at least two business days before the meeting.

On occasion the City Council may consider agenda items out of order.

- **Call to Order and Roll Call**
9:33 a.m. - Closed Session, Room 600, City Hall
Absent Council Members: None.

1:33 p.m. - Regular Session, Council Chambers, City Hall
Absent Council Members: None.

7:06 p.m. - Evening Session, Council Chambers, City Hall
Absent Council Members: Chirco; Gonzales. (Excused)
- **Invocation (District 3)**
Pastor Dick Bernal, Jubilee Christian Center.
- **Pledge of Allegiance**
Mayor Gonzales led the Pledge of Allegiance.
- **Orders of the Day**
The Orders of the Day and the Amended Agenda were approved.

1 CEREMONIAL ITEMS

- 1.1** Presentation of a commendation to the Mexican Consulate for their work in establishing Bi-National Health Week to raise awareness of the need to improve the health and well being of migrant workers and their families. (Mayor/Campos)
Mayor Gonzales and Council Member Campos recognized and commended the Mexican Consulate for their outstanding efforts to raise awareness of the need to improve the health and well being of migrant workers and their families.
Bi-National Health Week will be held October 11-18, 2005 in San José.

1 CEREMONIAL ITEMS

- 1.2 Presentation of commendations to Joyce Johns and Mike Flaughner for their exemplary dedication and invaluable contributions to the San José community. (Reed/Mayor)
(Rules Committee referral 3/16/05)
Mayor Gonzales and Council Member Reed recognized Joyce Johns and Mike Flaughner, the City Program “Good Neighbor Award” winners for their extraordinary dedication and important contributions to the City of San José in District 4, by cleaning up a section of Penitencia Creek.
- 1.3 Presentation of a commendation to the Kiwanis Club of Cambrian Park for its exemplary dedication and invaluable contributions to the San José community. (Chirco/Mayor)
(Rules Committee referral 3/16/05)
Mayor Gonzales and Council Member Chirco recognized the Kiwanis Club of Cambrian Park, the City Program “Good Neighbor Award” winners for their exemplary dedication and invaluable contributions to the youth and the community in District 9.
- 1.4 Presentation of commendations to the Affordable Housing Financing Team for its exemplary dedication and invaluable contributions to the San José community. (City Manager/Mayor)
(Rules Committee referral 3/16/05)
Mayor Gonzales and City Manager Del Borgsdorf recognized the Affordable Housing Financing Team for its dedicated service to the San José Community
- 1.5 Presentation of a commendation to Yerba Buena High School students for their recent achievement of winning first prize at the Junior Achievement of Silicon Valley competition. (Chavez)
(Orders of the Day)
Mayor Gonzales and Vice Mayor Chavez recognized the Yerba Buena High School students for achieving first prize at the Junior Achievement of Silicon Valley competition.

2 CONSENT CALENDAR

- 2.1 Approval of Minutes.
There were none.
- 2.2 Final adoption of ordinances.
There were none.

2 CONSENT CALENDAR

2.3 Approval of City Manager Del Borgsdorf's travel request.

Recommendation: Approval of City Manager Del Borgsdorf to travel to Grapevine, Texas on March 30 to April 1, 2005, to attend the United Way Community Leaders Conference (CLC). Funding Source: United Way. CEQA: Not a Project. (City Manager's Office)

Approved.

2.4 Approval to create and change certain job classifications.

Recommendation: Adoption of a resolution to:

- (a) Create the following job classifications:
 - (1) Sr. Instrument Control Technician (3763).
 - (2) Animal Shelter Coordinator (3258).
 - (3) Animal Behaviorist (3259).
- (b) Change the job classification title of:
 - (1) Kennel Attendant (3258) and PT (3257) to Animal Care Attendant (3258) and PT (3257).

CEQA: Not a Project. (Employee Services)

Resolution No. 72579 adopted.

2.5 Approval of open purchase orders for the purchase of supplies, materials, equipment and services.

Recommendation: Approval of award of open purchase orders for supplies, materials, equipment, and services for FY 2004-2005 #12 and authorization for the Director of Finance to execute the purchase orders. CEQA: See memo for CEQA designation(s). (Finance)

Approved.

2.6 Approval of the proposed 2004-06 Spending Plan for the Supplemental Law Enforcement Services Fund.

Recommendation:

- (a) Approval of the proposed 2004-06 Spending Plan for the Supplemental Law Enforcement Services (SLES) Fund; and

Approved.

(Item continued on the next page)

2 CONSENT CALENDAR

2.6 Approval of the proposed 2004-06 Spending Plan for the Supplemental Law Enforcement Services Fund (Cont'd.)

(b) Adoption of the following amendments to the annual appropriation ordinance and the annual funding sources resolution in the Supplemental Law Enforcement Services Fund (Fund 414) for Fiscal Year 2004-05:

(1) Establish a SLES Grant 2004-06 appropriation for the Police Department in the amount of \$1,359,906.

(2) Increase the Earned Revenue by \$1,359,006.

CEQA: Not a Project. (Police/City Manager's Office)

Ordinance No. 27381 adopted.

Resolution No. 72580 adopted.

2.7 Approval of fiscal actions for the Communications Radio Grant.

Recommendation: Adoption of the following amendments to the annual appropriation ordinance and funding sources resolution in the General Fund:

(a) Increase the existing appropriation in Capital Improvements to the Information Technology Department for the Interoperable Communications Radio Grant in the amount of \$92,415; and

(b) Increase the Earned Revenue Estimate from the State of California by \$92,415.

CEQA: Not a Project. (Police/City Manager's Office)

Ordinance No. 27382 adopted.

Resolution No. 72581 adopted.

2.8 Approval to amend an agreement for the South San José Police Substation.

Recommendation: Approval of a fourth amendment to extend the term of the agreement from March 31, 2005 to September 30, 2005, for the consultant agreement with RossDrulisCusenbery Architecture, Inc. providing programming and conceptual design services for the South San José Police Substation, at no additional cost to the City.

CEQA: Mitigated Negative Declaration, PP04-304. Council District 2. (Public Works)

Approved.

Staff was directed to provide follow-up information about habitat and mitigation measures.

2.9 Acceptance of the Office of the City Auditor's *Report of Activities and Findings for the Period of January 16 through February 15, 2005.*

Recommendation: Acceptance of the Office of the City Auditor's *Report of Activities and Findings for the Period of January 16 through February 15, 2005.* (City Auditor)
(Rules Committee referral 3/16/05)

Report Accepted.

2 CONSENT CALENDAR

2.10 Approval of appropriation actions related to various Federal and private grants for Emergency Services.

Recommendation: Adoption of the following amendments to the annual appropriation ordinance and funding sources resolution in the General Fund:

- (a) Increase the San Jose *Prepared!* appropriation in the City-wide Expenses by \$53,381;
- (b) Establish an appropriation for the FY 2003 Supplemental Appropriations Emergency Management Performance Grant (EMPG) in the City-wide Expenses for the Office of Emergency Services in the amount of \$29,846;
- (c) Increase the Urban Areas Security Initiative (UASI) appropriation in the City-wide Expenses by \$1,285,000;
- (d) Increase the estimate for Revenue from the Federal Government by \$1,356,477; and
- (e) Increase the estimate for Other Revenue by \$11,750.

CEQA: Not a Project. (Emergency Services/City Manager's Office)

(Rules Committee referral 3/16/05)

Ordinance No. 27383 adopted.

Resolution No. 72582 adopted.

2.11 Approval to submit the 2005 Urban Area Security Initiative Grant.

Recommendation: Adoption of a resolution authorizing the City Manager to:

- (a) Submit a grant application to the United States Department of Homeland Security; and
- (b) Accept the grant, if awarded, and negotiate and execute the grant agreement in an amount not to exceed \$6,590,133.

CEQA: Not a Project. (Emergency Services)

(Rules Committee referral 3/16/05)

Resolution No. 72583 adopted, with the City Manager requested to continue working with the County.

3 STRATEGIC SUPPORT SERVICES

3.1 Report of the Study Session Mayor Gonzales, Chair No Report.

3 STRATEGIC SUPPORT SERVICES

3.2 Report of the Rules Committee – March 9, 2005

Vice Mayor Chavez, Chair

- (a) Redevelopment Agency items reported out at Redevelopment Agency meeting
- (b) City Council
 - (1) Review March 22, 2005 Council Agenda
The Committee recommended approval of the March 22, 2005 city Council Agenda.
 - (2) Add New Items to March 15, 2005 Amended Agenda
The Committee recommended seven additions to the March 15, 2005 City Council Amended Agenda.
 - (3) List of Reports Outstanding
The Committee noted and filed the City Manager's Report.
- (c) Legislative Update
 - (1) State
 - (a) SB 680 (Simitian): Vehicle Registration Surcharge
Council Member Yeager asked if there are any guarantees that the monies collected would remain for local use. Assistant Director of Transportation Jim Ortbal stated that the money would be collected by the State Department of Motor Vehicles and then remitted to the Santa Clara Valley Transportation Authority, which would distribute to various cities and projects. Director Intergovernmental Relations Betsy Shotwell indicated that the current State administration favors local control strategies. Member Yeager requested that Staff work with Senator Simitian's Office to get protective language into the bill. The Committee recommended approval of a resolution authorizing the institution of a Vehicle Registration Surcharge in Santa Clara County.
 - See Item 6.2 for Council Action taken.**
 - (2) Federal
There was no report.
- (d) Meeting Schedules
There were none.

3 STRATEGIC SUPPORT SERVICES

3.2 Report of the Rules Committee – March 9, 2005 (Cont'd.)

Vice Mayor Chavez, Chair

(e) The Public Record

The Committee noted and filed the Public Record.

(f) Appointments to Boards, Commissions and Committees

There were none.

(g) Rules Committee Reviews, Recommendations and Approvals

(1) Surplus Vehicles

Deferred to March 23, 2005, unless a Staff memorandum is issued in time for the March 16, 2005 meeting.

(2) Audit of the Information Technology Department

The Committee recommended approval of deferral of the Audit of Information Technology Department from the City Auditor's 2004-05 Work Plan.

(3) Committee Meeting Broadcasts

The Committee recommended deferral to the March 16, 2005 Rules Committee Meeting.

(h) Oral Communications

There were none presented.

(i) Adjournment

The meeting was adjourned at 2:25 p.m.

The Report of the Rules Committee and the Actions of March 9, 2005, were accepted.

3.3 Report of the Making Government Work Better Committee

Council Member Reed, Chair

No Report.

3 STRATEGIC SUPPORT SERVICES

3.4 Approval of actions for the enhanced Military Leave Program for City employees.

Recommendation:

- (a) Approval to modify the calculation of supplemental salary so that compensation intended as a reimbursement for expenses incurred while on active duty are not included in the supplemental salary calculation.
- (b) Approval to modify the calculation for payment of supplemental salary when an eligible employee's pay stub has not been received.

CEQA: Not a Project. (City Manager's Office/Finance)

Approved.

Staff was directed to calculate the maximum impact of supplemental pay for 10 current employees, to include base pay plus housing, and return in two weeks with the information.

3.5 Approval of actions related to Public Records Act (PRA) Requests.

Recommendation: Acceptance of report and presentation on comprehensive procedures for handling Public Records Act requests.

[Rules Committee referral 3/2/05 – Item 3.2(g)(1)]

(Deferred from 3/15/05 – Item 3.7)

Report Accepted.

Staff was directed to refer the memorandum from Council Member Reed, dated March 17, 2005, to the Rules Committee.

3.6 Approval of a Memorandum of Agreement with the IBEW, Local 332.

Recommendation: Adoption of a resolution approving the terms of a Memorandum of Agreement with the International Brotherhood of Electrical Workers (IBEW), and authorizing the City Manager to execute the agreement with a term of March 13, 2005, through March 8, 2008. (City Manager's Office)

(Rules Committee referral 3/16/05)

Resolution No. 72584 adopted.

4 ECONOMIC & NEIGHBORHOOD DEVELOPMENT

4.1 Report of the Building Strong Neighborhoods Committee Council Member Chirco, Chair

No Report.

4.2 Report of the Driving a Strong Economy Committee Council Member Williams, Chair

No Report.

5 RECREATION & CULTURAL SERVICES

5.1 Report of the All Children Achieve Committee – March 10, 2005

Council Member Yeager, Chair

- (a) Mayor's Gang Prevention Task Force Update
The Committee accepted the Staff report.
See Item 5.5 for Council Action taken.
- (b) San José After School Program Discussion
The Committee accepted the Staff report.
- (c) Report on Project Cornerstone Student Survey
The Committee accepted the Staff report.
- (d) Oral Petitions
Bill Chew urged the Committee to move the Committee Meetings to the Council Chambers allowing more people to have access to it, and to make it available on the Internet as well.
- (e) Adjournment
The meeting was adjourned at 2:57 p.m.

The All Children Achieve Committee Report and the Actions of March 10, 2005, were accepted.

5.2 Approval to award a contract for the Hillview Branch Library Project.

Recommendation:

- (a) Report on bids and award of contract for the Hillview Branch Library Project to the low bidder, BRCO Constructors, Inc., to include the base bid and Add Alternate Nos. 2, 3, 4, and 5 in the amount of \$7,693,000 and approval of a contingency in the amount of \$770,000.

Approved.

- (b) Adoption of a resolution approving the Hillview Branch Library Project and incorporating environmental mitigation measures as set forth in the Mitigation Monitoring And Reporting Program for the project.

CEQA: Mitigated Negative Declaration, H03-057. Council District 5. (Public Works/Library)

Resolution No. 72585 adopted.

5 RECREATION & CULTURAL SERVICES

5.3 Approval of the Capitol Park Master Plan.

Recommendation: Approval of the Capitol Park Master Plan. CEQA: Exempt, PP03-08-267. Council District 5. SNI: East Valley/680 Communities. (Public Works/Parks, Recreation and Neighborhood Services)

Approved.

5.4 Approval of actions for the Camden Multi-Service Community Center Project.

Recommendation:

- (a) Accept the report on the status of the Camden Multi-Service Community Center Project, acknowledging project schedule adjustments.
- (b) Increase the project contingency by \$676,000, from \$620,000 to \$1,296,000, to pay for construction cost increases.
- (c) Increase the project delivery budget by \$250,000 to pay for additional contract administration costs.

Approved.

- (d) Adoption of the following Appropriation Ordinance amendments in the Parks and Recreation Bond Projects Fund:

- (1) Increase the appropriation for the Parks, Recreation and Neighborhood Services Department for the Camden Multi-Service Community Center project by \$926,000;
 - (2) Decrease the Contingency Reserve by \$926,000.

CEQA: Mitigated Negative Declaration, PP01-11-208. Council District 9. (Public Works/Parks, Recreation and Neighborhood Services/City Manager's Office)
(Rules Committee referral 3/16/05)

Ordinance No. 27384 adopted.

5.5 Approval of *Reclaiming Our Youth*, the Mayor's Gang Prevention Task Force Strategic Work Plan 2005-2007.

Recommendation: Approval of *Reclaiming Our Youth*, the Mayor's Gang Prevention Task Force Strategic Work Plan 2005-2007.

[All Children Achieve Committee referral 3/10/05 – Item 5.1(a)]

Deferred to 4/5/05.

6 TRANSPORTATION SERVICES

6.1 Report of the Building Better Transportation Committee – March 7, 2005

Council Member Campos, Chair

- (a) Expansion and Improvement of Transit and Transportation Systems

There were no items.

- (b) Traffic Relief/Safe Streets

- (1) Red Curb Standards for Schools

The Committee accepted the Staff report with one member absent. Staff was directed to return to the April 4, 2005 Committee meeting with recommendations on any changes that might be appropriate on the red curbing issue, that would create a flexible, standard or new guideline, that would mandate red curb areas around school crosswalks.

- (2) Proposed Changes to the Crossing Guard Safety Index

The Committee accepted the Staff report with one member absent. Staff was directed to recalculate the safety index for the denied locations over the calendar years 2002, 2003, and 2004, using the new formula and provide the budgetary implications to the Committee at the May 2, 2005 meeting.

- (c) Supporting Smart Growth

There were no items.

- (d) Regional Relationships/Funding/Policy

- (1) Local Transportation Infrastructure Funding Alternatives

The Committee accepted the Staff report with one member absent.

- (2) Report on Proposed Legislation for a Vehicle Registration Surcharge in Santa Clara County

The Committee accepted the Staff report with one member absent. See Item 6.2 for Council Action taken.

- (e) Oral Petitions

There were none.

- (f) Adjournment

The meeting was adjourned at 3:07 p.m.

The Building Better Transportation Committee Report and the Actions of March 7, 2005, were accepted.

6 TRANSPORTATION SERVICES

6.2 Approval of actions related to Senate Bill 680 (Simitian).

Recommendation: Adoption of a resolution of support for Senate Bill 680 (Simitian), which would authorize the institution of a Vehicle Registration Surcharge (VRS) in Santa Clara County to manage traffic congestion and improve local street, road, expressway and transit facilities. (Transportation)

[Rules Committee referral 3/9/05 – Item 3.2(c)(1)(a) and Building Better Transportation Committee referral 3/7/05 – Item 6.1(d)(2)]

Resolution No. 72586 adopted.

Staff was directed to revise the Building Better Transportation Committee minutes to reflect the change: ...“that the Technical Advisory Committee adopted an expenditure plan which *directs* VTA to distribute the funds to specific categories once the Measure has been approved”, should be amended to say, “which *recommends* VTA to distribute the funds....”.

Noes: Reed.

7 ENVIRONMENTAL & UTILITY SERVICES

8 AVIATION SERVICES

8.1 Approval of agreement and leases at the Airport.

Recommendation:

- (a) Approval of fourth amendments to the On-Airport Rental Car Operations Agreement and Leases with Enterprise Rent-A-Car Company Of San Francisco, Fox Rent A Car, Inc., KRH Enterprises, Inc. dba Payless Rent A Car, and Thrifty Rent-A-Car System, Inc., to extend the term of the agreements on the same terms and conditions from March 31, 2005 to March 31, 2008.
- (b) Approval of fourth amendments to the Amended and Restated On-Airport Rental Car Operations Agreement and Leases with Avis Rent A Car System, Inc., Vanguard Car Rental, USA, Inc. dba Alamo/National, Budget Rent-A-Car Systems, Inc., DTG Operations, Inc d/b/a Dollar Rent A Car, and The Hertz Corporation, Inc. to extend the term of the agreements on the same terms and conditions from March 31, 2005 to March 31, 2008.

(Item continued on the next page)

8 AVIATION SERVICES

8.1 Approval of agreement and leases at the Airport (Cont'd.)

- (c) Approval of first amendments to the Rental Car Storage Ground Leases with Enterprise Rent-A-Car Company Of San Francisco, Fox Rent A Car, Inc., KRH Enterprises, Inc. dba Payless Rent A Car, Thrifty Rent-A-Car System, Inc., to extend the term of the agreements on the same terms and conditions from March 31, 2005 to March 31, 2008, or the beneficial occupancy of the Second Interim Rental Car Facility.
- (d) Approval of seventh amendments to the Rental Car Service Center Ground Lease with Avis Rent A Car System, Inc., Vanguard Car Rental, USA, Inc. dba Alamo/National, Budget Rent-A-Car Systems, Inc., DTG Operations, Inc d/b/a Dollar Rent A Car, and The Hertz Corporation, Inc. to extend the term of the agreements on the same terms and conditions from March 31, 2005 to March 31, 2008.

CEQA: Resolution Nos. 67380 and 71451, PP05-038. (Airport)
Deferred to 3/29/05.

8.2 Approval to amend an agreement related to security screening systems at the Airport.

Recommendation: Adoption of a resolution authorizing the City Manager to negotiate and execute the first amendment to the agreement with URS Corporation for consultant services associated with baggage handling and security screening system design development and implementation for the Norman Y. Mineta San José International Airport Master Plan, increasing compensation by \$1,526,132 for a total agreement amount not to exceed \$2,704,118, and extending the term of the agreement from March 31, 2005 to December 31, 2008. CEQA: Resolution Nos. 67380 and 71451, PP 05-042. (Airport/Public Works)

Resolution No. 72587 adopted.

9 PUBLIC SAFETY SERVICES

10 JOINT COUNCIL/REDEVELOPMENT AGENCY

The Redevelopment Agency Board convened at 4:08 p.m. to consider Items 10.1, and 10.2 in a Joint Session.

10.1 Approval of actions for multifamily housing revenue bonds.

Recommendation:

- (a) Approval of the multifamily housing underwriting eligibility list to be used for the selection of investment banking firms for the period of March 22, 2005 to December 31, 2007 to provide investment banking, underwriting and remarketing services related to the issuance of multifamily housing revenue bonds by the City of San José.

Approved.

- (b) Approval of the underwriting team for the Redevelopment Agency of the City of San José Merged Area Redevelopment Project Housing Set-Aside Tax Allocation Bonds, Series 2005 with Citigroup Global Markets, Inc. as Senior Manager and Banc of America Securities, Inc., E.J. De La Rosa & Co., Inc., Stone & Youngberg, LLC, and UBS Financial Services, Inc. as Co-Managers.

Approved.

- (c) Adoption of a resolution by the City Council authorizing the City Attorney to negotiate and execute a contract for \$123,000 with Nixon Peabody LLP for services to the City and Agency associated with the Redevelopment Agency of the City of San Jose Merged Area Redevelopment Project Housing Set-Aside Tax Allocation Bonds, Series 2005.

CEQA: Not a Project. (Finance)

Resolution No. 72588 adopted.

10.2 Public Hearing and approval of the FY 2005-2006 Mayor's Budget Message.

Recommendation: The City Council to direct the City Manager to submit a proposed balanced budget for Fiscal Year 2005-2006 that is guided by the policy direction and framework of priorities outlined in this message and the City Manager's Budget Request. Proposals for budget reductions should be developed with a level of analysis that includes detailed data, justification, and outcomes for Council consideration later this Spring.

(Mayor)

The Public Hearing was held.

The March Budget Message for Fiscal Year 2005-2006, from Mayor Gonzales, dated March 16, 2004, was approved.

Noes: Reed.

The Redevelopment Agency Board portion of the meeting was adjourned at 5:27 p.m.

10 JOINT COUNCIL/REDEVELOPMENT AGENCY

10.3 Approval of action related to the efforts between the City and Salvation Army to submit an application for a KROC Community Center.

Recommendation: Adoption of resolutions by the City Council and Redevelopment Agency Board:

- (a) Accepting the information memo, dated March 16, 2005, related to the Salvation Army's proposal to construct and operate a major recreational and educational facility in San José.
- (b) Expressing support for the Franklin-McKinley School District's intent to partner with the Salvation Army to construct and operate a facility on School District Property at Fair Middle School & Santee Elementary School.
- (c) Expressing support for the Evergreen School District's intent to partner with the Salvation Army to construct and operate a facility on School District Property at LeyVa Middle School.
- (d) Encouraging the affected School District to require the Salvation Army to promote inclusion and non-discrimination, affordable access for low-income and neighborhood residents, and planning and communication strategies for on-going coordination with local neighborhood resources (i.e., Neighborhood Advisory Committees, School Site Councils, and local Community-Based Organizations).

CEQA: Not a Project. Council Districts 7 and 8. SNI: Tully/Senter, West Evergreen.

(City Manager's Office/Redevelopment Agency)

(Referred from 2/15/05 – Item 10.3 and 3/15/05 – item 10.1)

Heard in the evening.

Resolution No. 72589 adopted.

Staff was directed to:

- (1) **Prepare letters of support for both sites from the Vice Mayor and the Planning Director, which is a requirement of the application in order to move forward in this process.**
- (2) **Whichever site the Salvation Army pursues, that Staff is pre-directed to provide any and all support that the City of San José can provide in order to ensure this opportunity has the chance to be viable.**

Redevelopment Agency Board Resolution No. 5593 adopted.

Disqualified: Chirco; Gonzales.

The Council of the City of San José adjourned the evening session at 8:42 p.m.

- **Closed Session Report**

Assistant City Attorney William Hughes disclosed the following Closed Session action(s) of March 22, 2005:

- A. Authority to Initiate Litigation:**

Authority to initiate litigation was given in one (1) matter. The name of the action and the defendants as well as the substance of the litigation shall be disclosed to any person upon inquiry once the action is formally commenced.

Council Vote: Ayes: Campos, Chavez, Chirco, Cortese, LeZotte, Pyle, Reed, Williams, Yeager; Gonzales.

Noes: None.

Disqualified: None.

Absent: None.

Mayor Gonzales left the Council Meeting at 5:27 p.m.

- **Notice of City Engineer's Pending Decision on Final Maps**
None.

- **Open Forum**

- (1) Ted Scarlett raised an issue about signage at Glider Elementary School. Vice Mayor Chavez referred the speaker to Assistant Director of Transportation Jim Ortball.**
- (2) Ross Signorino urged the Council to seek reimbursement costs for paving at Lou's Village.**
- (3) Stuart Weiss, representing the Coyote Ridge Committee invited Mayor Gonzales and the Council to visit Coyote Ridge in Santa Clara County.**

- **Adjournment**

The Council of the City of San José was adjourned at 5:34 p.m.

8 JOINT REDEVELOPMENT AGENCY/COUNCIL

The Council of the City of San José convened at 5:35 p.m. to hear Item 8.1 in a Joint Session with the Redevelopment Agency.

Per Orders of the Day, Item 8.1(a)(2) was considered.

8.1 City Council and Redevelopment Agency Board approval of actions related to the California Redevelopment Association/Education Revenue Augmentation Fund Loan Program and membership in the California Communities organization.

Recommendation:

- (a) Adoption of resolutions by the Redevelopment Agency Board:
 - (1) Authorizing the Executive Director to negotiate and execute a Loan Agreement with the California Statewide Communities Development Authority (CSCDA) in an amount not-to-exceed \$21,395,000 and a not to exceed interest rate of 7% for the purpose of financing the Agency's FY 2004-05 payment to the Educational Revenue Augmentation Fund (ERAF) in the amount of \$18,626,954; and,
Redevelopment Agency Board Resolution No. 5592 adopted.
 - (2) Approving the information describing the Agency in the Official Statement issued by CSCDA and approving distribution of the final Official Statement.
Approved.
 - (3) Authorizing the Executive Director or his designee to execute the Officer's Certificate containing the Agency's representations regarding the Loan and the issuance of Bonds and to take all other necessary actions.
Approved.
 - (b) Adoption of a resolution by the City Council:
 - (1) Approving the borrowing of funds by the Agency from the CSCDA; and,
 - (2) Acknowledging that the security for the Loan is a first lien on the City's property tax revenue; and,
 - (3) Approving the information describing the City in the Official Statement.
- [MERGED]
Resolution No. 72590 adopted.

ADJOURNMENT

The Council of the City of San José, and Redevelopment Agency Board adjourned at 5:41 p.m.